Sir, I lay a copy of the Bill on the Table.

SHORT DURATION DISCUSSION

Third Ministerial Conference of World Trade Organisation held at Seattle, U.S.A. and the Statment made by the Minister of Commerce and Industry on the 8th December, 1999-contd.

SHRI SANATAN BISI (Orissa): Mr. Chairman, Sir, I was listening to the previous speaker with rapt attention. The only thing I want to say is that, while briefing the Press before leaving for the Conference, our Minister clearly said that the whole approach would be to maximise the benefits and minimise the losses. This was the statement given to the Press. Because of that, we are very clearly examining every activity of our delegates and what our Prime Minister has said in the Lok Sabha.

Sir, so far as the statement made in the House is concerned, it would have been much better if he had clearly stated what the maximum benefit was and what the minimum loss was. The second thing is, what the Government is going to do to safeguard all these things in future. That is also lacking.

The next thing I would like to say is this. He has referred to the proposals made in the earlier Agreement. There are also proposals for reviewing the whole process. So far as the implementation of the earlier Agreement is concerned, what stand has our Government taken? Why are we not demanding, at this stage, a review of the earlier Agreement? Have we got such powers or not?

Another thing is, regarding child labour, they have clearly stated their views. I want to know the position regarding bidi industry. That is a big area about which I am equally concerned. So far sericulture and prawn culture are concerned, I want to have a clear statement from the Minister.

श्री रमा शंकर कौशिक (उत्तर प्रदेश) : माननीय उपसभाध्यक्ष महोदय, यह सही है कि सियेटल में विकसित देशों की मंशा पूरी नहीं हुई और वे फेल हो गए लेकिन यह भी सही है कि सियेटल में हम भी पास नहीं हुए। उन्हें सफलता नहीं मिली लेकिन हमें कोई सफलता मिली, इसे हम मानने के लिए तैयार नहीं हैं । केवल इतना कह सकते हैं कि भारत की सरकार ने और हमारे माननीय मंत्री जी ने अपने देश हित का ख्याल रखते हुए वहां पर अपनी

बातें रखीं। और यह बात सही है कि अगर आगे भी इसी प्रकार से हम अपने हित की रक्षा करना चाहेंगे तो निश्चित रूप से जैसे हमारे भाई विप्लब दासगुप्त जी ने कहा कि हम लोगों को सफलता मिलेगी। असल में गलती तो वहीं से हो गई जब से हमने विश्व व्यापार संगठन से यह समझ लिया कि यह पूरे संसार के हित के लिए संगठन बना है। इस संगठन के उद्देश्य को ही हमने गलत ढंग से लिया। संगठन का उद्देश्य आम तौर पर यह था कि विकसित देशों को बाजार चाहिए था, विकसित देशों के जो अपने बाजार हैं वे सेच्युरेट हो गए और उनको अपने व्यापार के लिए चाहे कृषि का क्षेत्र हो, चाहे उद्योग का क्षेत्र हो, चाहे इलेक्ट्रोनिक का क्षेत्र हो, चाहे सेवा क्षेत्र हो, उनको क्षेत्र चाहिए था, बाजार चाहिए था और अपना हित उन्होंने रखा। उस समय हम लोग इस बात को नहीं समझ पाए जिस समय यह सारी बातें उरूग्वे सम्मेलन में या उससे पूर्व जो बातें होती रहीं हम अपने देश के हित को भूल गए। यह भी निश्चित बात है कि यह उनकी आवश्यकता थी, उनकी अनिवार्यता थी। अगर वह इस ढंग का संगठन नहीं बनाते तो उनके प्रोडक्ट कहां जाते? यह सवाल उनके सामने था। उस समय हम अपने बाजार की हैसियत को समझते हुए अपनी बातों को रखते और अपनी शर्तों को रखते तो निश्चित रूप से हमें सफलता मिलती। लेकिन आज हम बराबर पिटते चले जा रहे हैं डब्ल्यू.टी.ओ. में हम पिटते चले जा रहे हैं। हमने पेटेंट कानूनों को बदलने का फैसला कर लिया। हमने बीमा में बहुराष्ट्रीय कम्पनियों के प्रवेश का मामला तय कर लिया, हमने सेवा क्षेत्र को उनके लिए खोल दिया। लेकिन अभी बहुत से मौके हैं जो इस ढंग से आएंगे जिससे हम अपनी स्थिति को सुधार सकेंगे। सेवा क्षेत्र के मामले में भी जब हमने समझौता किया, जब उस पर दस्तखत किए तो हमने श्रम-सेवा का उसमें जिक्र ही नहीं किया हमारे पास श्रम सेवा है, हमारे पास तकनीशियंस हैं, हमारे पास इंजीनियर्स हो सकते थे लेकिन डब्ल्यू.टी.ओ. में वह श्रम सेवा, सेवा क्षेत्र में शामिल नहीं की गई। अब उस पर फिर चर्चा सन् 2000 में होगी। तो कम से कम मेहरबानी करके अपने हितों को ध्यान में रखते हुए आपको श्रम सेवा का मामला निश्चित रूप से उसमें शामिल कराना चाहिए। मैंने परसों भी इस बात को कहा था कि सेवा क्षेत्र को हमने खोल दिया है और आज अभी कुलदीप नैयर साहब ने जो एक विशेष उल्लेख किया कि अब यहां प्रिंट मीडिया आ रहा है। यह तो फैसला कर चुके हैं, दस्तखत कर चुके हैं। तो वह तो समझौते के तहत उनकी सारी बातें आनी हैं। सेवा क्षेत्र उन लोगों के लिए आज इतना महत्वपूर्ण क्षेत्र है जैसा कि मैं पहले भी कह चुका हूं और फिर दोहराता हूं कि स्विट्जरलैंड की 90 प्रतिशत आमदनी सेवा क्षेत्र से आती है। इंग्लैंड, अमेरिका, जर्मनी और फ्रांस में दो तिहाई रोजगार सेवा क्षेत्र से मिलता है और यह सेवा क्षेत्र उनके यहां सेच्युरेट हो गया और इसलिए सेवा क्षेत्र पर उन लोगों ने दस्तखत करा लिए। आपने सेवा क्षेत्र के समझौते को कर लिया। लेकिन श्रम सेवा उसमें शामिल नहीं है। हम अपने तकनीशियंस को वहां नहीं

भेज सकते, उनके ऊपर पाबंदी है, उसके ऊपर जो उनके कानून हैं, उसी ढंग के उनके आव्रजक कानून हैं उन्हीं आधार पर वहां लोग प्रवेश कर सकते हैं तो इन सारी बातों को अगर आप देखेंगे और इस ढंग से एसेस करेंगे जैसे आपने इस बार सिएटल में किया है तो निश्चित रूप से सफलता मिलेगी क्योंकि उनको आवश्यकता ज्यादा है। आप कृषि क्षेत्र में भी पिटते चले जा रहे हैं। आप गेहूं का आयात करने के लिए मजबूर हैं। फैसला किया है आपने गेहूं के आयात पर और यह भी फैसला किया है कि तीन वर्ष तक वह प्रतिवर्ष बढ़ता रहेगा। आपके यहां गेहूं कितना पैदा हो, आपके किसान की क्या हैसियत होगी, आपके किसान की क्या स्थिति होगी? तो कृषि क्षेत्र वाले मामले में भी अब बड़ी भारी गलती होती रही है। मैं इसलिए यह निवेदन करना चाहता हूं कि जो सन् दो हजार में एक सम्मेलन या मीटिंग होने वाली है और कृषि के ऊपर तथा सेवा क्षेत्र के मामलों में जो विशेष रूप से होने वाली है उसमें आप लोगों को, हमारी सरकार को, पूरी तरह से स्थिति एसेस करनी चाहिए और इस पर कोई संकोच नहीं करना चाहिए। अगर पहले उनके लिए बाजार बंद कर देंगे तो कोई ताकत नहीं है कि वह आपकी बातों को, आपके हितों की रक्षा न करें। इसमें कोई संदेह नहीं है। जैसा अभी हमारे साथी विप्लब दासगुप्त जी ने बताया कि दूसरे देश जो हमारी तरह पीड़ित हैं, जिनकी अर्थव्यवस्था बिगड़ गई है, जो पेटेंट कानून ऐसा करने के लिए मजबूर हो गए, जिनके कारण दवाइयों के दाम दिन-दुगुने-रात-चौगुने बढ़ते चले जा रहे हैं, आपके देश में भी बढ़ते चले जा रहे हैं। आपने पेटेंट के कानून को बदलने का और उस पर चर्चा करने का फैसला कर लिया है और उस दिशा में आगे काम कर रहे हैं। आप प्रोसेस पर जो पेटेंट करते थे, अब वह प्रोडक्ट पर करेंगे। हमारे यहां हजारों की तादाद में दवा बनाने वाले लोग हैं और 6 हजार करोड़ रुपये की दवाई का हमारा जो उद्योग है वह ठप्प हो गया है। वह इसलिए ठप्प हो रहा है क्योंकि हमारे यहां देश में जो दवा बनती थी प्रोसेस बदलकर के उसको यहां पेटेंट किया जा सकता था। अब प्रोसेस पर नहीं, आप प्रोडक्ट पर करेंगे। इसका नतीजा यह होगा और हो रहा है कि अमेरिका और इग्लैंड में जो दवा बनेगी वह दवा आप अपने यहां नहीं बना सकते हैं, हमारी कम्पनी नहीं बना सकती है और वे दवाइयां आपको वहां से मुंह मांगे दामों पर खरीदनी पड़ेंगी। जिसके कारण दवाओं के भाव लगातार बढ़ते चले जा रहे हैं। इस चीज को देखते हुए आपको अपने देश के हितों की रक्षा करनी चाहिए और ऐसर्ट करना चाहिए। उनको बाजार की ज्यादा जरूरत है। मैं इस बात को निश्चित रूप से कहना चाहता हूं कि डब्ल्यू.टी.ओ. की जरूरत अमेरिका, इग्लैंड और फ्रांस को है, जो विकसित देश हैं उनको इसकी जरूरत ज्यादा है। इसका हमें लाभ उठाना चाहिए था लेकिन आज तक हम इसका लाभ उठा नहीं सके हैं। अब आगे इस बात को ध्यान में रखते हुए जो विकासशील देश हैं, जो डब्ल्यू.टी.ओ. के मेम्बर हैं और इस कारण उनकी स्थिति खराब होती चली जा रही है,

4.00 P.M.

इसके लिए आप पहले उनके पास जाइये, उनसे बात कीजिए और आमने-सामने बैठकर बात कीजिए। इससे निश्चित रूप से हमको सफलता मिलेगी। धन्यवाद ।

SHRI J. CHITHARANJAN (Kerala): Hon. Vice-Chairman, Sir, at the outset, I would like to congratulate Mr. Murasoli Maran, our hon. Minister of Commerce, for having done a commendable service at Seattle. He had, within the limited time, tried to bring about a consensus on various issues which we had to face at the Seattle Conference. Secondly, he had done well in articulating India's position in the various fora of the Seattle Conference. He had also taken the initiative to contact the leaders of various countries, especially, the leaders of developing countries, and to bring about a common approach on various issues which came up for discussion before the Seattle Conference. That is why I said, "I congratulate him for the commendable service which he had done". I hope he will continue to have discussions with various groups and political parties and do sufficient homework to bring about a consensus on the various issues which we have to deal with, in the coming conferences of the WTO. The first thing, which I want to say, is -some of my colleagues have also mentioned it -that in the Uruguay Round of talks, the developing countries were not at all heard properly. What happened was that, mainly, the negotiations were between the European Union countries and America, and they came to an understanding on the disputes, between themselves. Finally, they prepared the Dunkel Draft and put it before others saying, "take it or leave it". This is an undemocratic approach. Unfortunately, the representative of the Government of India signed on the dotted line. I don't want to go into the details. Therefore, obviously, that agreement was more in favour of the rich countries, especially, America, and it was quite unfavourable to the developing countries like India. As a result of this, we are suffering. Now, again, in this Conference, one more attempt that was made was, convening a conference in the green room of the Managing Director of the WTO. Only 22 countries were represented in that conference. They kept out the representatives of rest of the countries. What right do they have to do so? This is an organisation comprising 135 members. Constitutionally, all the countries have equal right. How can it be that only 22 countries will decide something and the other countries will have to follow that. This is an undemocratic procedure. Another threatening thing is, other tactics are also being adopted. The President of America, Mr. Clinton, while addressing the

session, went to the extent of saying that if certain things are not approved, they will impose sanctions against those countries which take an unfavourable stand. This is what he said. Is this the way in which the negotiations should have been carried on between the countries which are considered to be equal? I would like to say here that we should also fight for the democratic functioning of this organisation, to respect the rights of each and every country. This is one point that I would like to make.

Secondly, they want to include certain new items in the agenda for the next round of negotiations, like, labour standards, environmental standards, etc.

[THE VICE CHAIRMAN (SHRI SANATAN BISI) in the Chair.]

These matters are not directly connected with trade. We should resist it. We should not allow such items to be included in the agenda.

Thirdly, I would like to say that the WTO, the IMF and the World Bank, these trio, are trying to grab the sovereign rights of every independent country. I do not want to go into more details. When we apply for a loan from the IMF, they impose certain conditions. Similarly, the World Bank also put some conditions for having some loan, etc. So, all these three organisations have been trying to grab the sovereign rights of every independent country. This is another matter which should also be resisted.

Fourthly, in the case of WTO, when the Marrakesh Agreement was implemented, there were great expectations that the developing countries will get more opportunities for developing their trade. The markets of developed countries will be opened for them. But, as we all know, what happened was the otherwise. The developing countries could not enhance their trade. In fact, they went back.

My next point is with regard to the opening up of the market. By putting various barricades, the developed countries are trying to prevent import of material from the developing countries like India. We have seen it. So far as textile products are concerned, once it was said that the silk skirts that India was exporting, would get fire and therefore, they could not be used. Same is the case with shrimps.They raised certain objections. In the case of fish, they raised certain objections. They are raising one objection or the other. They are trying to prevent the export of products from the developing countries like India. Therefore, these things are part of an

attempt to enforce an unequal treaty and an unequal economic system over the whole world to establish the hegemony of America. That is what is being attempted to. India is a sovereign country. We have to see that our sovereignty is protected, our trade is developed and our interests are protected. Therefore, we will have to take sufficient measures to see that our rights are protected as a part of an equitable economy. That is our aim.

Sir, there was a pessimistic view that it would not be possible for the developing countries to join together on certain issues, to have a consensus on certain issues and take a firm stand especially after 1994. That was the opinion expressed by many people. Even today, some hon. Members have said that even though this has happened this time, it may not happen next time because there will be a terrible pressure. As some hon. Members have pointed out, 1994 is not 1999. During the last five years all these countries have gained enough experience. What is their main experience? They have all realized that what has happened after the Marrakesh agreement and WTO, has not in any way helped them to develop their economy, to improve their trade. That is their experience. The same feeling is developing in regard to the globalization and liberalization. This policy would not help them to develop their economy to solve the real problems of a large chunk of masses, the problems like poverty and unemployment. That is why these countries are becoming more and more angry and they are taking more and more firm position with regard to all these things. Therefore, in this condition we should not become pessimistic. That is what I have to say. We should move with confidence because there is an opportunity to unify the developing countries to bring them to a certain consensus on various issues that we have to face. If we proceed with this view, definitely, we can succeed. Thank you.

SHRI KAPIL SIBAL (Bihar): Mr. Vice-Chairman, Sir, I rise to participate in the discussion. Before I make my opening comments, I would like to congratulate the hon. Minister for having conducted very satisfactory negotiations at Seattle. I would also like to add a word of caution that the journey from Marrakesh to Seattle was a very long journey and the onward journey from Seattle - I do not know how long that will be - is going to be long and hazardous. I don't think that we should forget certain basic parameters which affect the world today. And, if we look at the situation as it exists, as we go into the 21st century, the fact of the matter is, the richest nations of the world, who were the richest in 1900, continue to be

the richest today. In fact, we can divide the world today into three separate categories. You have the core countries which are the richest countries, like the countries of Western Europe, some of the other countries of North America, and countries like Australia and Canada. Then, you have the countries on the semi-periphery - you can call them semi-peripheral countries - which are countries of South America, countries like South Korea, Thailand, and some countries of the Middle-East. Then, of course, there are the peripheral countries, say, the least developed countries. And, when we talk about the WTO, when we talk about the commonality of interests, I think, we forget the fact that each particular country has its own peculiar problems, and these may be trade negotiations today, but they are going to turn into trade wars tomorrow. And, I am afraid that there is going to be no commonality of interests, except amongst the trading blocks. The poorest are still the poorest. The disparities of wealth are increasing on a daily basis. The poorest 20 per cent in the world, namely, 1.2 billion people, receive not even one per cent of the world's income. One-third of the world's children are still under-nourished, and 12 million children, under the age of five, die every year on account of poverty-related diseases. Sir, by the mid-90s, 89 countries in the world were poorer than what they were in 1980, and 43 countries in the world were poorer than what they were in 1970. So, what does this mean? It means that the poor are becoming poorer and the rich are becoming richer, despite liberalisation, despite globalisation. That is the challenge for tomorrow, Mr. Minister.

With respect to the WTO, I think, there are six broad features which I would like to delineate, but because of shortage of time, I will not go into them in detail. We have to be concerned with these six broad features. We may congratulate the Minister; and I too congratulate him. But we haven't even started the struggle yet. I would want to congratulate the Minister when we are in the midst of the struggle. That is the time when I really want to congratulate the Minister. What did we see at Seattle? And this is the trend of the 21st century. When Europe was industrialising, in the 19th century, there were conflicts between labour and capital. The 21st century sees a collusion between labour and capital in the Western world. That is the challenge of the 21st century. Mr. Minister, you were there at Seattle, and I too happened to be in the United States as well at that particular point of time. And, every day, I would see news items about the kind of demonstrations that were taking place outside Seattle. And, demonstrations

by whom? It was by the NGOs. Who were wanting to support whom? To support the Western world. And, demonstrations by whom? Demonstrations by industrial organisations, by big industrial houses, by multinational corporations, which were indulging in gene technology. For what purpose? For pressurising their Governments to put forward their agenda. I don't think that we should forget certain basic parameters which affect the world today. And, if we look at the situation as it exists, as we go into the 21st century, the fact of the matter is, the richest nations of the world, who were the richest in 1900, continue to be the richest today. In fact, we can divide the world toddy into three separate categories. you have the core countries which are the richest countries, like the countries of Western Europe, some of the other countries of North America, and countries like Australia and Canada. Then, you have the countries on the semi-periphery -- you can call them semi-peripheral countries -- which are countries of South America, countries like South Korea, Thailand, and some countries of the Middle-East. Then, of course, there are the peripheral countries, say, the least developed countries. And, when we talk about the WTO, when we talk about the commonality of interests, I think, we forget the fact that each particular country has its own peculair problems, and and these may be trade negotiations today, but they are going to turn into trade wars tomorrow. And, I am afraid that there is going to be no commonality of interests, except amongst the trading blocks. The poorest are still the poorest. The disparities of wealth are increasing on a daily basis. The poorest 20 per cent in the world, namely, 1.2 billion people, receive not even one per cent of the world's income. One-third of the world's children are still under-nourished, and 12 million children, under the age of five, die every year on account of poverty-related diseases. Sir, by the mid-90s, 89 countries in the world were poorer than what they were in 1980, and 43 countries in the world were power than what they were in 1970. So, what does this mean? It means that the poor are becoming poorer and the rich are becoming richer, despite liberalisation, despite globalisation. That is the challenge for tomorrow, Mr. Minister.

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The second broad feature that I want to touch upon is that, we are living in a world where the negotiating parties are not sovereign States, but trading blocks. That is the trend of the 21st century, Mr. Minister. You have the European Union, the European Economic Community, which is probably the largest trading block in the world today. You have the interests of the North American continent being taken care of by NAFTA. Just a couple of days ago, Mr. Minister, you must have read in the newspapers about the ASEAN meet. There, a decision was taken that they are also going to develop themselves into a new trading block and that they will invite three more countries to their trading block, namely, China, Japan and South Korea. China, Japan and South Korea participated in the ASEAN meet and they hope that, in the few years to come, they will be a separate trading block. Where does India stand? We floated SAARC. But where is SAARC today? The total trade amongst the SAARC countries is not even ten per cent of the total trade that SAARC countries have with the outside world. For example, as far as India is concerned, our maximum trade in 1994, I think, was 47 per cent, with the European Union and the Western world and America. That is going to increase to 50%. And, amongst the SAARC countries, only ten per cent of our trade was with the SAARC countries. So, we have no economic interests with the SAARC countries as such. There is no commonality. So, if we have got 50% of our trade related to the European Union and the United States, then we are depending on them and we have to negotiate with them. And what is our negotiating position? We are not a member of any of these blocks. Prof. Bhagwati, the other day, said that it is time that India thought of joining a bloc so that, at least, we can tie our interests with that particular bloc, whichever bloc we wish to join so that we have a bargaining position. Who is going to listen to us? It is all very well, Dr. Biplabdas Gupta just now said that we succeeded because the Africans were fuming. Of course, they were fuming. The Africans are getting nothing out of it. They are a continent which is relegated to the dustbin of history. And, of course, they are fuming. But they have no commonality of interests with Asia, and in the future, in the times to come, they are not going to have a joint front with you. Within Africa also, the interests of Egypt, which is only dependent on the United States, and the interests of the South Africa, are entirely different. The rest of the African world the turmoil that it is, what commonality of interests do those countries have, either within Africa or within the Asian countries? So, please

do not go by that. I don't agree with it at all. I think India will have to stand on its own, and we have the strength to stand on our own. But that is the trend of the 21st century.

The third broad feature is, Sir, the foreign investors -- this is a very strange argument, and this is the argument in the 21st century in the WTO which is going to be made -- the foreign investors, foreign corporations, multinationals want a level playing field. That is very strange. What is the level playing field that they want? They want to tell us that when they want to invest in India, there should be no condition attached to it. If we tell them that a part of what you manufacture must be exported outside the country, they say, that is not the level playing field. If you tell them that a part of the raw material for the part of the product that you want to manufacture in India they must get from India, they say, that is not the level playing field. If you tell them you cannot repatriate the money, the profits that you are making, they say, that is not the level playing field. So, how does that level playing field which is now espoused by the multinational corporations marry with the level playing field that the Indian companies want from you? If you give them a level playing field, then you deny the domestic corporations a level playing field, and if you give the domestic corporations a level playing field, then you violate the WTO. How are you going to resolve this conflict? That is the task of the 21st century, that is the task of this Government. That is the third broad feature you are going to have to deal with in the years to come.

The fourth, Sir, are trade barriers, protectionist measures that the western world is trying to impose upon us through matters unrelated to trade. That is very interesting. They say that if two partners are trading amongst themselves, then if one of the partners adopts a policy which is entirely within its domain, which is unrelated directly to trade, we will still make it a trade issue. In other words, if you manufacture carpets in India, and you involve child-labour -- child-labour has nothing to do with the trading of the commodity -- then, we will adopt such measures to ensure that we don't allow those carpets to be imported into the western world. The second aspect is environment, and these are again issues that are going to come up in the 21st century. As far as environment is concerned, they say, there have to be certain minimal environmental standards which must be related to trade. What is the environment that the western world is talking about? The greatest invention of the nineteenth century was the

internal combustion engine, which was the biggest pollutant in this world. The internal combustion engine produces carbon dioxide and carbon monoxide. And who was the biggest user of the internal combustion engine, and stil today, the biggest user? The United States of America. Have the developing countries got together and asked the U.S. in the WTO and the western world to start compensating the developing world for having spoiled the environment and with that compensation fund, given loans for improving the environment in the developing world? Is that an issue that has been raised at the WTO? Sir, you should raise it.

They talk about depletion of the ozone layer. Do you know, Sir, that the biggest destroyer of the ozone layer is chlorofluorocarbons? One molecule of chlorofluorocarbon destroys 1,00,000 molecules of ozone. And who is the biggest producer of chlorofluorocarbons in the world? The United States. Has the developing world got together and discussed the issue that "if you have destroyed the environment and depleted the ozone layer, and, therefore, have destroyed the future generations who are yet to come, who is going to compensate them?" They talk about imposing environmental standards in the developing world, but what about the loss caused to humanity by what they have done to us?

Then, they talk about human rights. One of the reasons why the U.S. opposed China's entry into the WTO was, it had a bad record of the human rights. I am afraid, Sir, these are the issues that are going to come up because we have now seen the stance of some of the most developed countries in certain conflicts that have occured -- certain European countries, as you know. So, Sir, they are going to relate trade to human rights, trade to environment, trade to labour standards, trade to good governance, as Pranabda has said. What a State has got to do with these things? Not that we should not have improved the environmental standards. Of course, we must. That is the national obligation we have. We have a trust for the future generations, namely, that we will not spoil the environment for them. And if we do, we will never forgive ourselves for it. That is our obligation. That is nothing to do with trade of a commodity between India and the US or anyone else. But that is the challenge that you are going to face. Those challenges have not yet come before you, but at this point, only working groups have been set up. Working group on labour standards has been set up. Sir, they are going to come up with those recommendations. You know, Sir, when they come up, that is how they

perform and that is how they function, if you do not accede to the setting up of working group. Once a working group is set up, then they set up some standards. Once these standards are set up, then they will call you and they will say, 'Now, we have set up these standards. What is wrong with these standards? We are prepared to listen to you. If you want to make changes, let us make those changes.' So, how many changes can you make? If you say, 'No, I will not look into the standards at all', they tell you, 'You are not cooperating with the WTO.' If you make changes, they will allow those changes. They will say, 'All right, this change will be effective for a period of five years and after which it will not be.' So, through the backdoor, these standards will come in. We do not have the negotiating position. Sir, the fact of the matter is, that is where we stand. If you look at the history of the world, it has been a history of exploitation. Today, of course, the East India Company cannot come here. You cannot have a battle of Plassey and a battle of Buxar. You are going to have trade battles.

SHRI C.M. IBRAHIM (Karnataka): Earlier, it was one company, and now. thousands of companies.

SHRI KAPIL SIBAL: You are going to have trade battles. This is a different kind of a war. The end result is going to be the same. It is a war of exploitation. As Pranabda has rightly said just now, in the United States, for example, by the year 2020, more than 50 per cent of the population is going to be over 60 years. Now, that is not going to be productive. They are going to have social security measures for them. Where is the money going to come from? ..*(Interruptions)*...From us. How are they going to get that money? Through the WTO. Sir, the GDP rate of growth of the European Union is two per cent. The rate of interest in the United States and the Western world is not enough to sustain their economy. What happened in the East Asia was nothing but the fact that the capital, the Japanese Yen, was invested in the East Asia and when profits were not there, the capital flew out. The only source of profit in a capitalist economy is natural resources and capital. Apart from the fact that Western world is rich in natural resources, they also have the capital. And where they do not have natural resources, there they are entering into agreements. For example, Sir, take Kazakhstan just very recently an American delegation went to Kazakhstan for laying a pipeline from Kazakhastan, avoiding Russia, through Iran, right up to Caspian Sea because they see gas reserves for future. They know of the gas reserves in Siberia.

Russia is going to play ball with them. So, Sir, you are seeing a movement, a slow calculated movement of the Western World, of getting together. The 'haves' will continue to be the 'haves' and the 'have-nots' will continue to be the 'have-nots'. The only task ahead of you is to be a part of the 'haves' and not to be a part of the 'have-nots'. This is my earnest prayer. I can assure you, Mr. Minister, that our party, each individual Member of this House, will fight for the country along with you to achieve that goal. Thank you very much.

श्री गांधी आजाद (उत्तर प्रदेश) : महोदय, सिएटल डब्लूटीओ के तीसरे मंत्री स्तरीय सम्मेलन में मंत्री महोदय द्वारा जो भारत का पक्ष प्रस्तुत किया गया, उसके लिए मैं बधाई देते हुए कहना चाहता हूँ कि देश की जनता कुछ आशंका व्यक्त कर रही है और उन आशंकाओं का समाधान मैं इस माननीय सदन के माध्यम से मंत्री महोदय से चाहता हूँ। विश्व व्यापार संगठन में सम्मिलित होने की दशा में हमारे आयात और निर्यात की क्या स्थिति होगी ? महोदय, सामान्य प्रक्रिया के अनुसार आयात, जिन वस्तुओं की हमारे देश में कमी हो, जिनकी उपलब्धता कम हो, जिनकी जरूरत हो, उन्हीं को आयात किया जाता है और निर्यात, जिन वस्तुओं की अधिकता हो, जिस पर हम आत्म-निर्भर हों, जो अधिक मात्रा में हमारे यहां उपलब्ध हो उन वस्तुओं का निर्यात किया जाता है । अगर डब्लूटीओ में सम्मिलित होने की दशा में यही स्थिति रहे तब तो देश का विकास हो सकता है अन्यथा कहीं हम आयात, निर्यात की उल्टी प्रक्रिया करें कि जिन क्षेत्रों में हम निर्यात करने की स्थिति में हैं और उसमें भी हमको मजबूरन आयात करना पड़े तो यह स्थिति हमारे देश के लिए भयानक होगी।

इसी तरह, महोदय, देश की जनता की यह भी आशंका है कि खेतिहर मजदूरों, भूमिहीन मजदूरों की दशा इस विश्व व्यापार संगठन में सम्मिलित होने पर क्या होगी ? साथ ही औद्योगिक क्षेत्र में लगे मजदूरों, संगठित और असंगठित मजदूरों की हालत पर क्या प्रभाव पड़ेगा? इस विश्व व्यापार संगठन में सम्मिलित होने की दशा में महिलाओं एवम् बाल श्रमिकों की दशा में क्या सुधार होगा? इसके साथ ही साथ इस देश में 25 प्रतिशत से ज्यादा अनुसूचित जाति और जनजाति के लोग रहते हैं, उनकी दशा पर इस विश्व व्यापार संगठन में सम्मिलित होने पर क्या प्रभाव पड़ेगा? साथ ही साथ पर्यावरण और देश की अर्थव्यवस्था पर, इसके क्या प्रभाव पड़ने वाले हैं? मंत्री जी को यह भी स्पष्ट करना चाहिए।

मेरी राय के अनुसार किसी भी संगठन में शामिल होने से यदि देश की अर्थव्यवस्था में सुधार होता है और यदि वह संगठन जनकल्याणकारी है तो उसमें जरूर सम्मिलित' होना

चाहिए, लेकिन अगर उससे केवल सरकार की अर्थव्यवस्था में सुधार होता है तो यह उचित नहीं है। धन्यवाद।

SHRI N. THALAVAI SUNDARAM (Tamil Nadu):Thank you, Mr. Vice-Chairman, Sir, for giving me an opportunity to participate in the Short Duration Discussion raised by Shri Pranab Mukherjee and others on the 3rd Ministerial Conference of the World Trade Organisation held at Seattle. We are not satisfied with the statement made by the hon. Minister of Commerce. There are two important issues, as far as the statement on the W.T.O. is concerned. One is relating to the developed countries and the other is relating to the developing countries. The developed countries have some grievances and the developing countries are also having grievances but of a different kind. I would like to read out, with the permission of the Chair, a newsitem on the proposal for biotechnology at the W.T.O. It says, - I quote - "The developing countries, including India, have opposed the proposal, which, until this week, enjoyed the support of Canada, Japan and the U.S. With the European Union, which has seen the most public protests about food products with genetically-modified organisms, giving up its earlier opposition, the pressure on the developing countries to agree to the working group will now grow." I would like to have a clarification from the hon. Minister on this: Whether, actually, it was opposed by the Minister, or, whether there is any other proposal before the Government on biotechnology.

The other point, which I would like to make, is this. Shri Sanatan Bisi also mentioned about this. It is about the export of bidi and prawn. As far as bidi export to the U.S.A. is concerned, there is a provision. We are exporting bidi to the U.S.A. and other countries. The U.S.A. has imposed certain conditions on the import of bidi. As a result, we are not able to export bidi to the U.S.A. and other countries. I would like to know from the hon. Minister as to what was the earlier agreement and what are the steps that have been taken so far on this. They proposed that certain developed countries to bring in non-trade issues such as, labour and environment. As far as the labour issue is concerned, the W.T.O. held that since there was no material on that, it cannot be considered. As far as the environment issue was concerned, probably, a statement was made at the meeting. It says, "The U.S. was committed to finding solutions that benefited both, the economy and the environment. Mr. Clinton said that

some believed that his concern and that of the U.S.A., about environment, was another way to somehow keep the developing countries down. That is not true. They are basically to create concern over environment issues facing the world today. First, there are the local issues faced primarily by the developing nations...."A healthy water system and sewage system to restrict soil erosion and to otherwise promote public health. But the real issues that affects all is global warming." This is the statement made by Clinton. As far as environment and labour is concerned, at the time of the US Working Group of another area, the link between labour and trade is dividing the WTO. Biotechnology may not even be seen as a controversy now. But as biotechnology grows rapidly, it could be an issue in future. What about the proposal so far as biotechnology is concerned?

Now, as far as the other part is concerned, there is a statement made by the Minister in the luncheon meeting in a hotel there. He said, The spirit of the Indian delegation was high following the Clinton luncheon meeting. Officially, however, India maintained it was no big deal that the Commerce Minister was among the select leaders who shared the luncheon table with Clinton. The Commerce Minister himself sought to play it down by saying that it was a casual meeting". I would like the Minister to clarify whether it was a casual meeting, or, a meeting in the interest of our country. *(Interruptions)* It is a statement made by the Commerce Minister, not by President Clinton. As far as our country is concerned, we have certain norms for import and export. What are the conditions? The hon. Member, Shri Kapil Sibal, mentioned that the negotiation of trade will turn into negotiation of the word. The first meeting was conducted in Seattle. The next meeting will be in January, 2000. Before the hon. Minister goes to attend that meeting I request him to take necessary steps in regard to agriculture and biotechnology. So far as agriculture is concerned, there are certain grievances. Please look into those grievances before going to the next meeting.

Now so far as the grievance regarding the US Administration tightening its position on labour issues at the WTO and insisting on setting up a working Group on the so-called minimum labour standards is concerned, I would request the hon. Minister to take necessary steps in the interest of labour and agriculture in our country.

SHRI PRAFULL GORADIA (Gujarat): Mr. Vice-Chairman, Sir, I think,

the hon. Commerce Minister has done a great thing by pushing forward, by progressing the trend towards a national consensus on the economic policy. I think, that is probably the single greatest achievement, as far as I can see from a distance away from Seattle. Most speakers appear to have made rather pessimistic speeches. Everything looks very dismal and dark after listening to the many speeches, and I am myself feeling a bit depressed. So, if I don't speak well, you will understand, Sir. The newspapers, in recent days, have all talked about how prosperous the automobile industry in India has become. Car sales are up, profits are up and how well they are doing. Of course, the newspapers do not mention that it was not many years ago when the entire automobile industry in India belonged to Indians. Today, most of it has gone out of our hands. So, it is virtually a foreign-dominated industry with new cars, new models coming almost every month. It is a signal that we Indians, probably, even the largest houses, are going to lose control over the manufacturing sector, what the economists' call the 'secondary sector' of the economy. As a result, Indian industrialists are selling out, some of them are taking interest in real estate, which has really not been their business, it is not an industrialist's business. Some industrialists have even turned into big builders, which means, that the builders are going to push downwards and become something else until they become petrol pump-owners, maybe, shopkeepers; the shopkeepers will leave their shops because super-markets will be pressing down on them, so they will turn into *'panwalahs'* and probably the *'panwalahs'* will be looking for a three-wheeler scooter to run. That is going to be the logic of globalisation. It is indeed a serious threat to a pillar of our civilization which has been an entrepreneurial aptitude. I think right through history we have been a net exporter. It is only since Independence that we have tried to develop, borrow and, maybe, run into deficits. We remained a net exporter despite the colonial exploitation by the British. That speaks volumes for the genius of Indian business. But then I suppose every country wants to export more and perhaps import less and in this rush and compulsion for exports, the World Trade Organisation is going to flourish, and that is why we all consider it inevitable because we also want to export more. China, which is outside the ring, wants to enter the ring. So, it appears that globalisation is inevitable. It has been compelled upon us. In fact, even politics is getting globalised. I was reading a magazine only a few years ago where I came across that a person of

Japanese birth had become President of a South-American country. Anyhow, let us hope that that does not happen in India. But it is certain that when GATT became W.T.O, it was a signal that globalisation was going to march forward inexorably. As I said there is going to be a downward pressure till it hits the poorest of the poor. various speakers have described the situation as cynical, hypocritical, presumptuous, unfair, humiliating, unequal; poor becoming poorer, no level playing field and conflict. Now, that is the realistic situation. The point is that it does not help us to complain, and to say that this is going to happen and that is going to happen; yes, it is going to happen. The question is, how do we get out of it? What is the solution? In this regard, I, in my own simple way have tried to find a solution with the help of tools provided last by Prophet Karl Marx. He rejuvenated or re-incarnated the Hegelian dialect of thesis, anti-thesis and so on. So, I was searching for a synthesis of the situation for India which appears very tragic, if we go by the speakers who have spoken this afternoon. The thesis, of course, is 'Swadeshi', to protect, as I called it, one of the pillars of Indian civilization, to protect, preserve our entrepreneurial aptitude. Let us call that "Swadeshi". If "Swadeshi" is the thesis, globalisation inevitably is the anti-thesis. There is a conflict, as described by Mr. Kapil Sibal. Then the question is where lies the path to the synthesis because unless we find it, we are just going to complain, we are going to warn each other and, at the end, achieve very little.

When our negotiators go for the next round of negotiations, undoubtedly they will do a great job. But there will be only a marginal gain and, I hope, even more marginal losses. But that is about all. We are not going to arrive at a solution. I personally feel in my modest way--and I am no economist--that the only way out for us in order to preserve our entrepreneurial aptitude, genious, is to initiate a sector. There is not much in a name. For argument's sake, let us call it, "individual sector," a sector in which no one can be a shareholder or owner unless one is an individual. One may be a foreigner, but let one be an individual. No company can hold its shares. No trust, no mutual fund or no Hindu undivided family even should be allowed to own any part of the enterprise in the individual sector. It could be a proprietorship, a partnership, a private company or a public limited company. For argument's sake, the ceiling on its capital may be Rs.10 crores. It may be the proprietor's money, or it may be the money of individual shareholders, numbering a thousand or more. It may have a

ceiling of Rs.10 crores on its equity, which is nothing in today's world. I don't think that large houses and multinationals will be interested in that sector. Exempt this sector from all, if not all, certainly most, Central indirect taxes like the excise duty. It will have that margin of the excise duty, let us say, of 20 per cent, 25 per cent or 30 per cent. That would be the margin for the small enterprise, the Rs.10-crore enterprise to compete with a thousand-crore enterprise. This is the handicap-start that the small industry should have. In other words, if a multinational in India can sell its soap at Rs.8/-, an individual sector company can sell the same soap at least at Rs.6/-, or, maybe, it will spend Rs.2/- on advertising and build up the market, even though not a national market, at least a regional market. This is the only way our enterprises will survive.

I will finish very soon. But I was given ten minutes. Was not I?

THE VICE-CHAIRMAN (SHRI SANATAN BISI): All right.

SHRI PRAFULL GORADIA: So, this would be one way. I think that this would be the synthesis of making sure that at least the cradle of our enterprise is not killed and that it can then produce. I hope it will preserve the entrepreneurial aptitude as well as give hope for some of these entrepreneurs to become large industrialists so that we are not rendered into *panwalas, rickshaw-walas* or petrol *pumpwalas,* which was the logic of what has been said this afternoon.

So, Mr. Vice-Chairman, Sir, through your good offices, I would like to convey to the Government of India, its Finance Minister, its Industry Ministry, its Commerce Minister and anybody else concerned to consider initiating this individual sector as a way out of the pressures of globalisation on the one hand and the need to preserve our civilisation on the other. This is not an original idea: it is merely an extension of the essential logic of the small-scale sector. I am not asking for any reservation. The only thing is that it should be individually owned and it should be exempt from Central taxes because I know of many industrialists who will tell you on the table that they are very happy that India is globalising but inside they will have a horrible fear, consternation that they will be wiped out as economic citizens. I think it is time that we took concrete steps, rather than just discussing concrete steps, to reassure them that there is a way out and that it is not that they would be wiped out so that the fear is destroyed and we could all work towards a greater economic India.

Thank you, Mr. Vice-Chairman, Sir, for giving me the opportunity.

SHRI NARENDRA MOHAN (Uttar Pradesh): Sir, I have only a couple of clarifications to seek. I hope the hon. Minister will do that.

The hon. Minister, in his statement, said: "As no consensus-based conclusions could be reached on most of the issues at the Ministerial conference, no declaration was finalised." I would like to know, why decisions were not taken. Why consensus was adopted? Was it in India's interest? As, out of 135 Members, only about 24 or 25 Members were against India, why could we not pass a resolution condemning those powers who wanted to introduce labour standards and envirnonment standards into the trade agreement? After all, the non-trade issues should not have been linked. Why did India not make an attempt to get the final voice of the W.T.O.on this issue? During the last five years, we were told that the W.T.O. will start functioning like the United Nations Organisation's General Assembly, where every member has got one vote. Knowing the constitution of the W.T.O., why could India not force that such non-trade issues should not be dealt with in an organisation like the W.T.O.? I am in total agreement with my friend, Shri Ram Shankar Kaushik. The points which he raised are very relevant, because W.T.O. has become an organisation to protect only the American and European interests.

The hon. Minister also said in his speech that the Americans were forcing him. You know, Mr. Minister, the Europeans were giving you some suggestions which were totally detrimental to the Indian economy and the Indian psyche. Keeping those points in view, Mr. Minister, would you like to tell us as to how many countries were supporting you and how many countries were against you. This House has a right to know. I know, you have done a good job, but still, you have to be more transparent. Sir, I seek the protection from the Chair. You should ensure that these points are made very clear. We should be told which countries were with us and which countries were against us.

THE MINISTER OF COMMERCE AND INDUSTRY(SHRI MURASOLI MARAN): Sir, I am thankful to the hon. Members for having appreciated our work at Seattle. I am also thankful to the leaders of the political parties for having sent their representatives at the Seattle, as members of our delegation.

This time, when we went to Seattle, we went there with full preparations. We consulted almost all the stake-holders, all the political parties represented in Parliament and also the business groups. For the first time, we also consulted leaders of the labour unions, because labour is very important and it was going to be a subject matter at the Conference. We had heart-to-heart discussions with all the stake-holders. With that, we evolved a consensus. India stood firm there, because we went there with a firm consensus. That is why, when pressure was brought on us, we said: "No, the national consensus is like this."

Sir, we were very clear, as our mandate from the consensus was also very clear, as was stated by the Prime Minister in the Lok Sabha. We are opposed to relating six issues with trades. They are: core labour standards, environment issues, coherent global architecture, investment issues, N.G.Os'. involvement in the W.T.O. negotiations and competition. We had made it very clear, because of the clear-cut mandate. When we were there at the Seattle, it was very easy for us to espouse our cause.

The hon. Member, Mr. Narendra Mohan has mentioned that I have to be transparent, that I have to inform the House as to what happened at the Seattle. Sir, that is why this discussion is taking place here. It was transparent to our Communist Party Marxist leader, it was transparent to our Indian National Congress leader and it was transparent to our CPI leader. But I am sorry to tell that it was not transparent to our friend, Mr. Narendra Mohan.

SHRI NARENDRA MOHAN : Actually, I wanted to know as to how many countries supported India.

SHRI MURASOLI MARAN : Sir, at the Seattle, when the Conference was about to begin, there was actually a surrealistic atmosphere. The Conference venue was surrounded by people, by demonstrators, by protestors. Who were they? The hon. Member, Shri Kapil Sibal has made it very clear that there was a collusion of capital and labour. Sir, to call them as demonstrators or protestors is too generous a term. I want to quote the comments from the editorial of the *Wall Street Journal,* "To begin with, you might stop referring to those who took to the streets on Tuesday as protestors. It is far too generous a term. Plainly the Seattle activists are being used as shock troops by special interests, trying to protect their own privileges at the expense of workers in the rest of the world." Sir, this is a

comment by no less a newspaper than *The Wall Street Journal.* As Mr. Kapil Sibalji has clearly stated--it is a brilliant speech; of course, he has a silver tongue--it was a clear shameless collusion between the capital and labour. According to the *Wall Street Journal,* it was energised by the U.S. corporate leaders and political leaders. What he has said as a collusion between the capital and labour, has been described by the *Wall Street Journal* in its editorial on 2nd December, 1999, and I quote : "It was energised by the U.S. corporate and political leaders. It was very clear. The demonstrators are, what they call shock troops as distinct from storm troopers of Nazi Germany. They generally focussed on labour standards and environmental standards. They want to impose core labour standards. They want to impose environmental standards in international trade. But, it the real issue? No. In the observance of core labour standards, such as freedom of association, formation of trade unions, collective bargaining and abolition of child labours, they were not concerned with these things. In fact, why are they raising this issue? The reasons are political. Again I would like to quote from the Wall Street Journal, "What are the reasons for those people to pick up these two issues, core labour standard and environmental standard." Sir, I quote from the October issue, "U.S. President, Bill Clinton announced that he wanted labour issues to be brought into the Seattle round, on the same day, when the AFLCO endorsed Vice-President, Al Gore's 2000 Presidential bid." This is the comment, not by us, but by the *Wall Street Journal because* I am carefully treading the path. All these words have not been uttered by me, but by those respected American newspapers. Are they doing it out of benevolence? Are they giving the support to our labour force out of benevolence? No, Sir. Out of fear. Again this is a thin end of a very thick wedge.

Again, I want to quote from the *Financial Times* of New York. "Trade unions in high income countries did not become concerned about the plight of workers in exporting industries out of benevolence, but out of fear. It is the competitiveness of the exporting countries that worries them, not the supposedly unfair source of that competitiveness. Mr. Clinton knows this. But with elections looming, he also knows that union money is vital for his party's candidates." We need not think that the entire industrial world or the Western world is against us. But enlightened public opinion in the West is with us. That is why they clearly say, "With elections looming, he also knows.."--'he' means President Clinton-... that union money is vital for his

party's candidates." It is for domestic reasons these slogans were raised. Again, the *Financial Times* in its editorial on December 2, 1999 says, "As for Mr. Clinton's proposal for a WTO working group to develop core labour standards -- which ultimately could be backed by trade sanctions -- this is the thin end of a very thick wedge." This is a sop to the unions. In fact, the USA itself has not ratified many of the ILO standards whereas India has ratified many of them.

Again, Sir, here is the famous *The Economist* magazine. What does it say about this? I quote: "This sop to the unions reeks of hypocrisy, since America itself does not enforce all the international Labour Organisation's core labour rights." These are the strong words used by the famous magazine, *The Economist.*

Sir, international trade occurs because of differences in resource endowments, labour skills and consumer taste. Cross-border trade is valuable because the playing field is not level. Hon. Member Shri Kapil Sibal made it very clear. The level-playing-field theory will not appear if the entire world is uniform. If all the labour standards, all the resources, all the skills and all the consumer tastes, if they are all uniform, then, international trade will not take place. We all know it. Why are they raising it? The Western world, the industrialised world, wants to take away our comparative advantage. It is a pernicious way of robbing our comparative advantage. The developing countries consider it as a manoeuvre by wealthy nations to force our wages up, to undermine our competitiveness. This is the secret. Many efforts were made in the Conference to introduce core labour standards. In fact, suddenly, without informing us, a Working Group was formed with a Costa Rican Vice-Minister as the Chairman. The European Union sent a proposal to propose a forum outside the WTO to discuss the labour issue, but report to the WTO! Somehow, they want to bring in labour standards. Again, India stoutly resisted it. Why? We all know. Mr. Kapil Sibal made it very clear. We have studied the strategy. What they will do is, first they will introduce. They will mention the words 'core labour standards', which is like the camel protruding its nose in the tent. Then they will say 'Working Group'. The Working Group will give its report. Then, somehow, they will make it, they will thrust it on our shoulders. They will say that we have to follow that. That is why we stoutly resisted it. Again, Sir, what will happen if a working group is formed, and if they make a recommendation. Again, I get the help of the Wall Street Journal. In the

same editorial, they have made it very clear. I quote: " Once established any labour-environment working groups will be impossible to get rid of. " These are the words used in that editorial. " Soon they will be determining everything from minimum wage rates to environmental standards that would preclude all sorts of development - with big business going along (a la IMF bailouts) to get its niche trade favors." These are the powerful words used by the Wall Street Journal. That is why I was saying that the enlightened American opinion is with us, is in favour of us. Whatever they say is illogical. It is against the economic theory that we have been propounding. So, I have to congratulate this newspaper for having come out with their old editorial.

Sir, finally the last straw was cast by President Clinton himself. President Clinton, while giving an interview to the local newspaper had said: "He would support trade sanctions if labour standards are not observed." It made all the developing countries and least developing countries to harden their position. It created such a furore that they all felt the danger ahead. In fact, the process adopted to get an opinion, a decision in the W.T.O. was called a clock room process. They formed a small group. Representatives from 25 countries participated in it and India was also one of them. But outside the clock room is the green room, and representatives of about 100 countries were waiting there. They could not come in. They could not even enter. They were pushed off. Therefore, they could not arrive at a decision. Those representatives of fifty countries wrote a strong letter to the Director-General of the W.T.O. that they will not agree to any other decision taken in the Green Room. Sir, that boldness, created by President Clinton's statement, united all the developing countries and the least developing countries. Again, I want to inform the House about the electrifying effect that was created on that day. This is again the "Observer" of London. I quote: "For the first time in history, the poor countries of the world have told the rich that they were not playing the first world game." Again, Sir, the Secretary of State for Trade and Industry of the United Kingdom, Mr. Stephen Byers has stated something. I quote: "It is the first time at the international level that developing countries have articulated and asserted themselves." I am very happy that our Indian delegation was at the forefront of this movement. At that moment, after this, they knew fully well that even if they take a decision in the Green Room, it will not be accepted. There was rebellion actually by those 100

countries, plus our resistance. When I say ours, it means Dr. Biplab Dasgupta, Kamal Nath and so on. We were opposing it. Yet he has not given me cent per cent marks. (Interruptions) Finally, the U.S. Trade representative, Ambassador Charlene Barshefsky has stated something, and I quote her statement. "We found that the W.T.O. has outgrown the processes appropriate to an earlier time. We needed a process which had a greater degree of internal transparency and inclusion to accommodate a larger and more diverse membership." Sir, here is a realisation of the ESPR Embassador Charlene Barshefsky. Therefore, the Ministerial Conference was postponed. No decision was taken. According to her, whatever decisions are made, or whatever discussions are done, they have been frozen and preserved. It means, they will be taken up when the next Ministerial Conference takes place. But, in the meantime, she put in an idea: "We have to develop an improved process which is both efficient and fully implicit."

Sir, several questions are raised here. They have asked: Is Seattle a success? It depends upon how one looks upon it. If it is a success, yes, it is a success because it is for the first time that it united the developing countries and the poorer countries. It is a success because it defeated the purpose of using the meeting as an exercise in domestic politics. It is a success because the principle on which India built its stand was vindicated and got wide support. But we cannot gloat over it because we have pinned our hopes on institutions of implementation. India took a leading role in deciding those issues, in formulating those issues, but, at the Conference, we could not achieve anything. So, from this point of view, it is an opportunity lost. But one thing that I want to say here is that we do not want the system to fail. India has always been standing for a multilateral, reciprocal and non-discriminatory trading system which is based on rules, which is fair and just. But our hope is, the system should succeed. If you ask me to tell you in one word what happened in Seattle, my answer will be "we have postponed the D-day!"

Once again, I quote Mr. Kapil Sibal's words: "The onward journey from Seattle is long and hazardous." We have not started the struggle. The struggle has been postponed. Sir, how can I say that it has been postponed? Sir, Mr. Kapil Sibal used civilised words, but against the same, the Wall Street Journal says: "Guerrilla tactics will be adopted." These words are not mine. These are the words of the Wall Street Journal which

stands for capitalism, which stands for market economy. I quote:

> "With trade widely recognised as the main engine for economic development, the temptation to practise guerrilla tactics holding trade and commerce hostage, in exchange for all kinds of special privileges, will only grow."

That is why hon. Kapil Sibal said that it is going to be hazardous.

The issues which have been postponed in Seattle will come up again. Therefore, what should we do? As Pranabda said, we have to be watchful, we have to be vigilant, we have to keep our eyes open. In this context, I would say, as hon. Biplab Dasgupta and hon. Chitharanjan have said, that now is the time to reform WTO, to make it genuinely democratic. WTO is designed to dismantle the trade barriers, not to dismantle the sovereign prerogatives of nation-States not to impose social objectives. Sir, here I would point out that the NGOs had given a full-page advertisement in the *'New York Times.'* 'WTO is emerging as the world's first global government.' Should we allow it to become the world's global government? That is the question we have to ask ourselves, and we have to seek an answer to this question. WTO, in my opinion, -- I think all the hon. Members will agree; whatever their political pursuasions may be, -- is not a global government, but merely a place where Governments' make agreements regarding trade and subject themselves to arbitration, in the event of a dispute. *(Interruptions)*

DR. BIPLAB DASGUPTA (West Bengal):....only trade. *(Interruptions)*

SHRI MURASOLI MARAN: Yes; only trade. I am coming to that. Stephen Byers of the United Kingdom, the Minister for Trade, said that we should reform the WTO. He has also said, 'the task of salvaging something from the wreckage of the Seattle meeting should be taken up.' Salvaging something from the wreckage of the Seattle meeting! These are the words of Stephen Byers. Then, the European Union Trade Representative, Mr. Pascal Lamy, has called for the overhaul of the creeking WTO apparatus. Therefore, we should care for the shopkeeper in the street corner. He should not become unemployed. We should care for the small scale units in the small towns. They should not be closed-down because of the WTO. Our Intellectual Property derived from traditional knowledge and folklore should not become victims of piracy because of the WTO. The central

piece of reform should be to restrict the scope of WTO to trade and trade alone. Then only we can get out of this danger. Let us give the WTO a much narrower trade-oriented remedy. It should not be a kangaroo organisation for some Governments, or, a group of Governments. But, is it possible? Yes; it is possible. But at the same time, when I had put the question to a group of friends, called like-minded group, how steadfastly we can oppose this pernicious doctrine, how long we can oppose it, how steadfast we will be, the reply was -- again I have to use the words of Mr. Kapil Sibal, -- ' it is hazardous'. Now is the time, much more precious, that we apply our mind on all those fronts. I don't know how far they will come along with us. So, the distance from Seattle is really a dangerous one. Therefore, I would once again appeal that the reform process should be taken up. Unless we delink the WTO with non-trade issues, the developing countries and the less developed countries cannot survive. So, we should take up the mission. India can do it. As the Prime Minister used to say, we are 1/6th of the humanity. But at the same time, there is an Achilles' Heel because many of the WTO related bills are yet to be passed. If we don't pass them, they will say, ' you have not fulfilled your obligations.' Therefore, with this in mind, I will request Dr. Biplab Dasgupta also to support it. Then only we can fight. Don't weaken India. I would request the House to ponder over this matter and render support so that we can stand united with a national consensus in our forward journey towards the 21st century. Thank You.

THE VICE-CHAIRMAN (SHRI SANATAN BISI): Thank you, Mr. Minister. Now we will take up the Trade Marks Bill, 1999.

DR. BIPLAB DASGUPTA: We can take it up tomorrow. There is no point in continuing now. *(Interruptions)*

SHRI C.P. THIRUNAVUKKARASU (Pondicherry): We will withdraw with this pleasure.

We are happy today. *(Interruptions)*

SHRI NARENDRA MOHAN: I think we have done enough today. I am again congratulating the Minister for whatever he has done. *(Interruptions)*. Specially, his speech and the way in which he has given...*(Interruptions)*.

THE VICE-CHAIRMAN (SHRI SANATAN BISI): Mr. Narendra Mohan, that is all over now.

SHRI NARENDRA MOHAN: Yes, Sir, it is all over now. You kindly adjourn the House.

THE VICE-CHAIRMAN (SHRI SANATAN BISI): We have other business also. *(Interruptions)*...

DR. BIPLAB DASGUPTA: Let us take it up tomorrow. *(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): We are very much tired. Let us adjourn the House, Sir. *(Interruptions)*..

SHRI NARENDRA MOHAN: Sir, let the House be adjourned for the day. We will support the Minister tomorrow also. *(Interruptions)*....

SHRI S. VIDUTHALAI VIRUMBI: Mr. Vice-Chairman, Sir, we are much tired. If there is any urgent unscheduled business, you may take it up. *(Interruptions)*....

SHRI NARENDRA MOHAN: The Minister has done a good work and we will support him tomorrow also. You kindly adjourn the House for the day. *(Interruptions)*...

THE VICE-CHAIRMAN (SHRI SANATAN BISI): The only thing which I want to say is this. We have decided to sit up to 6 o'clock. *(Interruptions)*..

DR. BIPLAB DASGUPTA: Sir, you take the sense of the House. *(Interruptions)*...

THE VICE-CHAIRMAN (SHRI SANATAN BISI): It is for the Members to decide. We have taken a decision that we should sit up to 6 o'clock. *(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: When the House collectively says something, you have to concede it. *(Interruptions)*....

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): Sir, I have to give some clarifications on the statement made on 1st December, 1999. *(Interruptions)*...

DR. BIPLAB DASGUPTA: It can be done on Monday. *(Interruptions)*...

SHRI V. DHANANJAY KUMAR: No, Sir. I would like to submit that, as per the provisions of the Customs Tariff Act, the notifications imposing

import duty will have to be placed before both the Houses and a Resolution will have to be moved to get the approval. At that time, they will again get an opportunity to seek clarifications. Therefore, either I may be relieved today and the matter may be taken up on that day when the Resolution is moved or I may be permitted to give the clarifications today. I am ready for both. *(Interruptions)*...

DR. BIPLAB DAŚGUPTA: Sir, it can be taken up on Monday. *(Interruptions)*...

SHRI V. DHANANJAY KUMAR: If my friends are interested in getting the clarifications on the statement, I am ready. Otherwise, they will get an opportunity to seek clarifications when the Resolution is moved. *(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: When the Resolution comes up for discussion, he can give the clarifications. *(Interruptions)*....

SHRI V. DHANANJAY KUMAR: I am ready for both. *(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: Hon. Vice Chairman, Sir, the hon. Minister has to move the Resolution. When he moves the Resolution and gives the reply, he can give the clarifications also. *(Interruptions)*...

SHRI V. DHANANJAY KUMAR: Then, I may be relieved today.

DR. BIPLAB DASGUPTA: Mr. Vice-Chairman, the sense of the House is to adjourn the House. We had a very good and an excellent discussion, and there is no point in raking up something which will create unnecessary controversy.

THE VICE-CHAIRMAN (SHRI SANATAN BISI): So, in deference to the sense of the House, I adjourn the House till 11.00 A.M. tomorrow.

The House then adjourned at twenty-three minutes past five of the clock till eleven of the clock on Friday, the 10th December, 1999.